

8th September 1958] [Sri S. Lazar]

This is only a request I make to the hon. Speaker because many of us were able to go through the Bill only yesterday and the day before yesterday.

MR. SPEAKER: The Bill was published in the Gazette Extraordinary on the 30th August 1958. Therefore the Bill was in the hands of hon. Members sufficiently early. The Business Advisory Committee had agreed to take up the Bill to-day. I would have no objection if the House had said that it would take up the Bill some other day. But the Business Advisory Committee having agreed to take it up to-day, I had no option but to fix a time limit for the receipt of amendments. If I allow the amendments given early this morning, when am I to circulate copies of them to the hon. Members? I am sorry I have to disagree with the hon. Member and refuse permission to accept the amendments given this morning.

III.—STATEMENT ON THE FOOD SITUATION IN THE MADRAS STATE.

MR. SPEAKER: The other point agreed to by the Committee was that the Hon. Home Minister will place a statement on the table of the House regarding the food situation. The statement is ready. But there is not sufficient time for him to take copies and distribute them to the hon. Members. The Hon. Minister will make the statement on Food now and copies of the statement will be distributed to the hon. Members as early as possible. The debate on the statement will take place on the 10th.

THE HON. SRI M. BHAKTAVATSALAM: I shall make copies of the statement available either in the course of the day or by 9 o'clock to-morrow morning.

Mr. Speaker Sir, the State of Madras was slightly deficit in foodgrains at the time of the formation of Andhra in 1953. But subsequently due to a series of favourable seasons, we are now self-sufficient. The production of foodgrains during the last two years is as follows :—

Year.		Rice.	Milets.	Total.
(1)		(2)	(3)	(4)
		(LAKHS TONS).	(LAKHS TONS).	(LAKHS TONS).
1956-57	.. ..	31.03	15.19	46.22
1957-58	.. ..	31.34	15.24	46.58

The figures given for 1956-57 are the final estimates but for 1957-58. The final estimates are not yet available and so the preliminary forecast is given.

The Government is receiving regularly weekly reports about the condition of the standing crops. Generally speaking the South-west monsoon, although it was a bit delayed, has been satisfactory and the condition of the crops is on the whole fair, in most parts of the State. There are some exceptions to this statement, because, small areas like parts of Chingleput district and parts of South Arcot district experienced dry conditions and there was some

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damage to the standing crops, while in parts of Tanjore and Tirunelveli, there were some pest attacks which also resulted in some losses. But by and large, the condition of the crops is satisfactory so far. It is rather too early to say anything about the prospects of the North-east monsoon, but if that is also satisfactory, we would be having good crops this year.

In July 1957, the Government of India promulgated the Zonal Movement Order by which foodgrains could not move outside the Southern Zone. The Southern Zone comprises the States of Madras, Kerala, Mysore and Andhra. This Government all along maintained that Madras State by itself should be constituted into a zone, so that we might not be affected by the fluctuations in the food situation in the adjoining States, but the Government of India were not agreeable to these suggestions. Their view was that in the Southern Zone, Madras and Mysore are fairly self-sufficient while Kerala is highly deficit and Andhra has a good surplus of 5 or 6 lakhs tons. So the view of the Government of India is that the Southern Zone as a whole would be almost self-sufficient in good years and free flow of foodgrains need not be interfered with.

We have some figures of the quantity of foodgrains moving between the different States. The figures, however, are confined to movements by rail, but it can reasonably be assumed that movements by road are comparatively smaller and do not affect the broad pattern presented by the rail movements.

Year.					Movement of Rice into Madras from Andhra.
					TONS.
I.	1954-55	..	..	..	91,542
	1955-56	..	..	..	33,719
	1956-57	..	..	..	33,036
	1957-58	..	..	..	19,070
	1958 (April to July)	..	..	..	9,850
Year.					Movements of Rice from Madras to other States.
					TONS.
II.	1954-55	..	..	..	112,600
	1955-56	..	..	..	228,800
	1956-57	..	..	..	229,000
	1957-58	..	..	..	216,000
	1958-59 (April to July)	..	..	..	55,200

These figures show that the quantity of rice moving from Andhra towards Madras has fallen sharply in 1954-55 and now stands at a nominal figure of about 12,000 tons which represent mostly the Nellore rice coming into Madras City. In the same manner, the movement from Tanjore to Kerala has increased sharply in 1954-55 and has stabilised itself at a figure between 2 and 2½ lakhs tons a year. The movements are substantial during the months from September to March; but during the remaining 6 months, they are much smaller.

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It will be difficult to give any precise idea about the level of consumption, i.e., average consumption of foodgrains per adult per day. It is generally assumed that this should be 16 ounces. If that is the basis, our production of 46 lakhs tons is just sufficient to ensure the supply of the full requirements of consumption at the 16 ounces level. However, it is likely that the actual consumption is considerably lower than 16 ounces. Some surveys made in the trends of consumption in recent years have shown that the consumption clearly is on a scale of 15.4 or 15.3 ounces and not 16 ounces. It is this consumption of 15.3 ounces which produced the small surplus of 2.5 lakhs tons which we are able to export to Kerala. It may be added in this connexion that the actual consumption during the rationing years was about 12.5 ounces per adult per day.

It may also be mentioned in this connexion that the Government of India are procuring substantial quantities of rice in Andhra, which is of the order of about 3 lakhs tons a year, most of which is made available to Kerala direct. This, however, has not in any way, reduced the pressure of Kerala demands on the Tanjore market.

In the context of all the above facts, the price movements in this State may now be examined. The following statement will give an idea of the fluctuations in prices of rice (second sort) during the last few years :—

<i>Month and year.</i>	<i>Ouddalore.</i>	<i>Vellore.</i>	<i>Kumbakonam.</i>	<i>Tiruchirappalli.</i>	<i>Coimbatore.</i>	<i>Madurai.</i>	<i>Nagercoil.</i>
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	RS.	RS.	RS.	RS.	RS.	RS.	RS.
January 1954 ..	19.56	18.31	20.50	20.81	..	19.20	..
January 1955 ..	15.63	15.13	17.75	16.50	..	16.44	..
January 1956 ..	14.89	14.02	14.75	..	..	17.55	..
January 1957 ..	16.99	17.37	16.50	..	..	18.56	..
January 1958 ..	18.19	18.49	18.56	19.31	18.95	18.64	19.56
February ..	17.98	18.65	17.62	17.94	18.87	17.60	19.30
March ..	17.98	18.55	17.52	17.44	18.54	17.85	19.30
April ..	17.68	18.71	17.08	17.72	18.54	18.52	18.35
May ..	18.50	18.68	18.36	18.46	18.49	19.43	18.34
June ..	18.63	18.50	18.47	19.45	18.16	20.17	18.54
July ..	20.00	18.65	19.03	21.26	20.06	21.04	20.00
August ..	20.00	21.20	19.30	21.58	20.94	21.32	20.32
Corresponding period of August 1957.	18.62	18.45	18.25	18.56	18.50	19.83	19.56

It will appear from these figures that there has been a sharp increase in the price of rice in July 1958 but during the two months following, the prices have remained at a fairly stationary level of

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Rs. 20 a maund. Compared to the prices in August 1957, the prices have risen on an average by Rs. 1.84 per maund in August 1958, which represents an increase of about 10 per cent.

The reason for this increase in price should be sought in the general upward trend in food prices in North India. Although the Southern Zone has been able to keep up a fairly high level of production, the northern States, particularly, the Uttar Pradesh, Bihar, West Bengal and Orissa have been subject to a drought and the production has substantially fallen there. The result has been a sharp increase in prices in those States. Although the formation of the Southern Zone is intended to insulate the Southern States against price fluctuations elsewhere, this can never be achieved completely in practice and if prices go up in the North, there will be a sympathetic upward trend in Madras too and this seems to be what has happened.

It may be interesting to compare the fluctuations in prices of coarse rice of the 2nd sort in Madras State with those of Calcutta and Bihar.

(1)				Madras.	Calcutta.	Bihar.
				(2)	(3)	(3)
				RS. PER MAUND.	RS. PER MAUND.	RS. PER MAUND.
May 1958	..	..		18.50	22.37	22.00
June	..	..	..	18.63	22.50	23.90
July	..	..	..	20.00	24.00	25.25
August	..	..	..	20.00	26.25	25.75

It is clear from this statement that the prices in Calcutta and Bihar have risen very steeply by about Rs. 3.50 to Rs. 4.00 per maund. With such a steep rise in one end of the country, it is only natural to expect some sort of an increase in the rest of the country. In Madras, the increase has been about Rs. 1.84 per maund during the period May to August 1958.

It is also necessary to remember that the Southern Zone as a whole has a price-level well below the Northern States. The variations between the different States in the Southern Zone are small but definitely marked. Thus, the prices in Andhra generally are Re. 1 to Re. 0.50 below the average in Madras. The prices in Kerala are generally about 50 nP to Re. 1 above the prices in Madras and the price in Mysore is generally about 50 nP above the Madras price. It will thus be observed that next to Andhra coastal districts, Madras State has probably the lowest price-level in India.

What are the likely trends of food prices during the next few months? Assuming that the North-east monsoon is favourable it can be expected that the price levels will not go substantially higher, but there is a likelihood of a small fall in prices when the kuruvai comes in October. The position with regard to the supply of foodgrains to meet all the requirements of the people of this State is satisfactory. The price increase is only due to reasons not

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connected with the supply of foodgrains, and therefore, it is not likely that there would be any large increase in the prices or any difficulty in securing supplies.

During the last food crisis in 1956, a large number of fair price shops were started, but after the main harvest in February last, most of the fair price shops were closed down in this State as it was considered that adequate foodgrains are available in the market. The Government of India were not agreeable to release any more foodgrains from their stocks but suggested that the State Government may itself enter the market and procure the requisite foodgrains for distribution through the fair price shops. Since this State is just self-sufficient in rice, this Government considered that it would be inadvisable to enter the market as there was likely to be a sharp increase in the general prices, if the Government became a purchaser. The fair price shops are, however, now being run for supply of wheat alone. The number of fair price shops now functioning in this State is 470 and a quantity of 18,740 tons of wheat have been issued by the Regional Director of Food for supply through the fair price shops till the middle of August last. The organisation has been kept going, so that it may be useful in case the price position deteriorates any further.

To sum up :

(1) The supply position of foodgrains is quite satisfactory, as the crops were good last year and also so far this year.

(2) The increase in prices is due to the abnormal increase in prices of foodgrains in Uttar Pradesh, Bihar, and West Bengal. The price has gone up there by about Rs. 4 to Rs. 5 a maund and in sympathy our prices have increased by about Rs. 1.84, but still the price level in Madras is the second lowest among all the States in India.

(3) The fair price organization is kept in tact on a small scale to meet any emergency.

II (2)—TIME LIMIT FOR RECEIPT OF AMENDMENTS TO BILLS—cont.

MR. SPEAKER : I want to make the following announcement with regard to the time limit for the receipt of amendments to Bills. I have already circulated it but I shall now repeat it just to make the position clear.

I have fixed 4 p.m. on the 10th instant as the last hour and date for the receipt of amendments to the Madras Beedi Industrial Premises (Regulation of Conditions of Work) Bill, which will be taken up for consideration on 12th September 1958. For the Madras Plantation Agricultural Income-tax (Amendment) Bill, which will be taken up on the 17th instant, I have fixed 4 p.m. on the 15th instant as the last hour and date for the receipt of amendments. For the Madras Weights and Measures (Enforcement) Bill, the Madras Public Health (Amendment) Bill and the Madras Panchayats Bill, which will be taken up on the 22nd instant, I have fixed 4 p.m. on the 20th instant, as the last hour and date for the receipt of amendments.